

BEFORE THE MINNESOTA PUBLIC UTILITIES COMMISSION

Gregory Scott  
Edward A. Garvey  
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Chair  
Commissioner  
Commissioner  
Commissioner  
Commissioner

In the Matter of Petition for Extended Area  
Service from Callaway to Detroit Lakes

ISSUE DATE: June 6, 2002

DOCKET NO. P-507, 429, 421/CP-97-1622

ORDER CERTIFYING POLLING RESULTS  
AND REQUIRING IMPLEMENTATION

**PROCEDURAL HISTORY**

On October 31, 1997 telephone subscribers in the Callaway exchange filed a petition seeking extended area service (EAS) to the neighboring exchanges of Detroit Lakes and White Earth-Ogema. The Callaway exchange is served by Callaway Telephone Company (Callaway). The Detroit Lakes exchange is currently served by Qwest Communications Inc. (Qwest), and the White Earth-Ogema exchange is served by Twin Valley Ulen Telephone Company.

On July 14, 1999, the Commission issued an Order denying the request for EAS between Callaway and White Earth-Ogema based on its finding that the Callaway/White Earth-Ogema route did not meet the traffic volume threshold requirement. However, the Commission did find that the Callaway/Detroit Lakes route met the threshold requirements of adjacency and traffic volume and directed the incumbent local exchange carriers serving Callaway and Detroit Lakes to determine the cost of installing and operating the proposed routes and to develop proposed rates to recover those costs. The Commission would then poll Callaway subscribers to determine whether they wanted EAS at those rates.

The companies duly filed their cost studies and proposed rates, but the Commission did not proceed directly to polling. Instead, in a series of Orders issued between November 1998 and May 2001, the Commission addressed a series of new issues posed by the need to adapt EAS to the competitive telecommunications market mandated by state and federal law. With these issues largely settled, the Commission met on November 20, 2001 to again consider the Callaway EAS petition.

On November 30, 2001, the Commission issued its ORDER SETTING EAS RATE ADDITIVES AND REQUIRING POLLING and telephone subscribers in the Callaway exchange were polled between February 6 and March 25, 2002.

On May 2, 2002, the Commission met to consider the polling results for the Callaway to Detroit Lakes proposed EAS route.

## **FINDINGS AND CONCLUSIONS**

### **I. CERTIFICATION OF POLLING RESULTS: CALLAWAY TO DETROIT LAKES**

The results of the polling show that a majority of voting subscribers in the Callaway exchange voted in favor of EAS to the Detroit Lakes exchange. The results were as follows:

Voting Exchange	Petitioned Exchange(s)	Res. EAS Rate	Bus. EAS Rate	% Voting	Yes		No	
					#	%	#	%
Callaway	Detroit Lakes	\$16.55	\$16.55	67.8	120	57.7	88	42.3

### **II. ORDER FOR INSTALLATION**

The third and final statutory criterion for EAS is that a majority of customers responding to a poll in the petitioning exchange favor its installation. Because a majority of Callaway customers returning their ballots voted in favor of the proposed EAS route, the third and final criterion is met in this petition.

Accordingly, the Commission will direct the affected telephone companies (Callaway and Qwest) to implement the requested EAS route within 12 months of the date of this Order. To expedite and coordinate the implementation process, the Commission will order the Company to coordinate implementation of EAS in the Callaway exchange with Qwest, the telephone company serving the Detroit Lakes exchange, and file a schedule of the planned implementation within 60 days of this Order. Callaway will also be required to immediately file an explanation of the reasons for any subsequent change in that schedule.

### **III. MISCELLANEOUS**

Details regarding recovery of the non-recurring expenses caused by non-recurring costs of EAS balloting, further customer notices and the approval process for those notices, as well as tariff filing requirements, are addressed in the Ordering Paragraphs.

## **ORDER**

1. The Callaway to Detroit Lakes EAS route is hereby approved.
2. Callaway and Qwest, the affected telephone companies, shall implement the service within 12 months following the date of this Order.
3. Callaway shall coordinate the implementation of EAS with Qwest, the telephone company serving the petitioned exchange, and file implementation schedules within 60 days of the Order. If, for some reason, the implementation schedules change, the companies should immediately notify the Commission and explain the reason(s) for the change(s).

4. Callaway shall file the first of two proposed customer notices for approval by Commission staff within 10 days of the date of the Order. The notices shall list the results of the polling, the EAS additives and the proposed implementation date (s). After approval, Callaway shall serve the notices in the first possible billing cycle in their respective exchanges.
5. Callaway shall send final, Commission approved, notices to customers in the petitioning exchange, either by bill insert or separate mailing. The final notices shall describe the service, instruct customers on dialing, list the additional monthly rates, the date of implementation and any other pertinent information. Callaway must issue these notices one month before they implement EAS.
6. Callaway shall make any requests for recovery of non-recurring costs at least 120 days before the planned implementation dates. The Department shall have 30 days to comment on the proposed charges.
7. The affected telephone companies shall file tariff sheets reflecting Commission Orders that establish the rates and terms for EAS between Callaway and Detroit Lakes. These tariff sheets shall be filed at least 30 days before implementation of EAS. Once this is done, this docket shall be closed.
8. This Order shall become effective immediately.

BY ORDER OF THE COMMISSION

Burl W. Haar  
Executive Secretary

(S E A L)

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